

**RIDER PORCB
PURCHASE OF RECEIVABLES WITH CONSOLIDATED BILLING**

(Continued from Sheet No. 397)

PURCHASE OF RECEIVABLES.

A RES taking service hereunder must sell to the Company such RES's electric power and energy supply service related receivables for retail customers selected by such RES in accordance with the provisions of the Implementation section of this rider for which the RES provides electric power and energy supply service. Such receivables must be sold by the RES to the Company at a discount to allow the Company to recover applicable uncollectible costs, as well as developmental, implementation, administrative, and operational costs associated with the application of the provisions of this rider. The monthly discounted receivables amount is computed in accordance with the following equation:

$$DREC_C = REC_C - \left[\left(1 - \frac{1}{UF} \right) \times REC_C \right] - CRA$$

Where:

- $DREC_C$ = Discounted Receivables, in dollars (\$) rounded to the cent, equal to the amount the Company must remit to the RES for the electric power and energy supply service related receivables sold by the RES to the Company pertaining to the electric power and energy supply service provided by the RES to the retail customer, c, during the monthly billing period.
- REC_C = Receivables, in \$ rounded to the cent, equal to the amount included on such retail customer's, c, consolidated monthly bill for electric service issued by the Company for electric power and energy supply service provided to such retail customer, c, by the RES.
- UF = Uncollectible Factor, in decimal format, equal to the value provided on Informational Sheet No. 32. For application beginning with the June 2014 monthly billing period, such value is equal to (a) one (1.0) plus (b) (i) the amount actually written off by the Company for billings associated with electric power and energy supply provided by the Company to residential retail customers and other retail customers that establish demands for electricity that are less than 400 kW for the previous January through December monthly billing periods divided by (ii) the total amount of revenue associated with electric power and energy supply provided by the Company to residential retail customers and other retail customers that establish demands for electricity that are less than 400 kW for the previous January through December monthly billing periods. Beginning in 2014, the UF is computed once each year for application beginning with a June monthly billing period and extending through the following May monthly billing period. The UF is never less than 1.0.
- * CRA = Cost Recovery Amount, in dollars, rounded to the cent, equal to the value provided on Informational Sheet No. 32. Such value allows the Company to recover developmental, implementation, administrative, and operational costs, including DICs, AOCs, BSMICs, and BSAOCs, associated with application of the provisions of this rider. The CRA may be revised by the Company in accordance with this Purchase of Receivables section if the Company determines such revised CRA results in a better match between the Company's applicable costs and its recovery of those costs. The CRA is never greater than \$0.50.

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PURCHASE OF RECEIVABLES (CONTINUED).

In the event that the incorporation of the CRA in the determination of the DREC_Cs provided the Company with an amount in excess of the sum of (a) its accrued DICs and AOCs attributable to such POR Application Period, and (b) any reimbursement to retail customers for amounts previously recovered from such retail customers for accrued DICs and AOCs, and (c) its accrued BSMICs and BSAOCs attributable to such POR Application Period, then such excess amount is credited to retail customers to the extent necessary in accordance with the provisions of the Consolidated Billing Adjustment section of Rider RCA, to provide reimbursement to such retail customers for amounts previously recovered from such retail customers for accrued BSMICs and BSAOCs.

In the event that the incorporation of the CRA in the determination of the DREC_Cs provided the Company with an amount in excess of the sum of (a) its accrued DICs and AOCs attributable to such POR Application Period, and (b) any reimbursement to retail customers for amounts previously recovered from such retail customers for accrued DICs and AOCs attributable to past POR Application Periods and (c) its accrued BSMICs and BSAOCs attributable to such POR Application Period, and (d) any reimbursement to retail customers for amounts previously recovered from such retail customers for accrued BSMICs and BSAOCs attributable to past POR Application Periods, then such excess amount is applied in a manner that results in an applicable revision to the CRA.

- * In the event that the incorporation of the CRA in the determination of the DREC_Cs provided the Company with an amount in excess of the sum of the amounts listed in items (a), (b), (c), and (d) in the previous paragraph, the Company must revise the CRA to the extent necessary in order to align, as closely as practical, its costs to provide service under this rider with the incorporation of the CRA in the determination of the DRECs. Moreover, during any POR Application Period, the CRA may be revised by the Company if the Company determines such revised CRA results in a better match between the Company's applicable costs and its recovery of those costs.

In determining AOCs, the Company must compute its NAUC. Such NAUC may be positive or negative and is computed in accordance with the following equation:

$$\text{NAUC} = \text{RWO} - \sum_{\text{PP}} \left\{ \left(1 - \frac{1}{\text{UF}} \right) \times \text{REC}_C \right\}$$

Where:

RWO = Receivable Write-Offs, in \$, equal to the amount actually written off by the Company for receivables purchased by the Company from RESs in accordance with the provisions of this rider during the prior POR Application Period.

\sum_{PP} = summation for the prior POR Application Period.

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**RIDER PORCB
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(Continued from Sheet No. 401)

AUDIT, REPORTING, AND RECONCILIATION REQUIREMENTS (CONTINUED).

In addition to the reporting requirements previously identified in this Audit, Reporting, and Reconciliation Requirements section, in each calendar year during which the Company is not required to perform an internal audit of its costs for a POR Application Period, the Company must prepare a report for the previous calendar year that addresses (a) RES participation under this rider, (b) total costs incurred for DICs, AOCs, BSMICs, and BSAOCs, (c) the total amount of the discounted receivables purchased in accordance with the provisions of this rider, (d) total amount of the write-offs associated with receivables purchased in accordance with the provisions of this rider, (e) revenues associated with the application of POR Adjustments, and (f) revenues associated with the application of CB Adjustments. The first such report must also include an evaluation of any CB Adjustment in effect during the first POR Application Period. Such report must be submitted to the ICC in an informational filing, with copies of such report provided to the Manager of the Staff's Accounting Department, the Director of the Staff's Financial Analysis Division, and the Director of the Staff's Office of Retail Market Development within ninety (90) calendar days after the end of such previous calendar year. Such report must be verified by an officer of the Company.

INFORMATIONAL FILINGS.

- * The value of the UF determined in accordance with the provisions of the Purchase of Receivables section of this rider for incorporation in the computation of the DRECs beginning with a June monthly billing period and extending through the following May monthly billing period must be submitted by the Company to the ICC in an informational filing no later than the twentieth day of April preceding the start of the June monthly billing cycle. Any informational filing of such UF after such twentieth day of April, but prior to the start of the June monthly billing cycle, is acceptable only if such informational filing corrects an error or errors from a timely filed UF value. Any other such informational filing made after such twentieth day of April, is acceptable only if such informational filing is made in accordance with the special permission request provisions of Section 9-201(a) of the Act.
- * The value of the CRA determined in accordance with the provisions of the Purchase of Receivables section of this rider for incorporation in the computation of the DRECs beginning with a specified monthly billing period must be submitted by the Company to the ICC in an informational filing no later than the twentieth day of the month prior to the start of the monthly billing cycle during which such revised CRA becomes applicable. Any informational filing of such revised CRA after such twentieth day, but prior to the start of the monthly billing cycle during which such revised CRA is scheduled to become effective is acceptable only if such filing corrects an error or errors from a timely filed CRA. Any other such filing after such twentieth day is acceptable only if such filing is made in accordance with the special permission request provisions of Section 9-201(a) of the Act.

Any informational filing submitted by the Company to the ICC as described in this Informational Filings section must be accompanied by supporting work papers and documentation.

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(Continued from Sheet No. 402)

IMPLEMENTATION.

The RES may elect for the Company to purchase the receivables of the RES's electric power and energy supply service for retail customers for which such RES provides electric power and energy supply service, provided one of the following delivery classes is applicable to each such retail customer: (a) Residential Single Family Without Electric Space Heat Delivery Class, (b) Residential Multi Family Without Electric Space Heat Delivery Class, (c) Residential Single Family With Electric Space Heat Delivery Class, (d) Residential Multi Family With Electric Space Heat Delivery Class, (e) Watt-Hour Delivery Class, (f) Small Load Delivery Class, (g) Medium Load Delivery Class, (h) Fixture-Included Lighting Delivery Class, provided the retail customer's demands for electricity are less than four hundred kilowatts (400 kW), (i) Dusk to Dawn Lighting Delivery Class, provided the retail customer's demands for electricity are less than four hundred kilowatts (400 kW), or (j) General Lighting Delivery Class, provided the retail customer's demands for electricity are less than four hundred kilowatts (400 kW).

In making the election for the Company to purchase the receivables of the RES's electric power and energy supply service provided to retail customers, if such RES elects for the Company to purchase the receivables of the RES's electric power and energy supply service provided to any residential retail customer then such RES must elect for the Company to purchase the receivables of the RES's electric power and energy supply service provided to all its residential retail customers. With respect to any other retail customers, as applicable, such RES may elect for the Company to purchase the receivables of the RES's electric power and energy supply service provided to whichever retail customers it chooses.

On or after December 21, 2010, for each retail customer with respect to which the RES elects to have the Company purchase the RES's receivables for electric power and energy supply service, the RES must submit a Direct Access Service Request (DASR) that informs the Company of the RES's election with respect to such retail customer. Any such DASR is rejected if it is submitted prior to December 21, 2010. On or after such date, such election for such retail customer is effective on the Company's next normally scheduled meter reading or billing cycle date for such retail customer. Such effective meter reading or billing cycle date is the beginning date of the first monthly billing period for which the Company purchases the receivables of the RES's electric power and energy supply service for such retail customer. Such election information may be included in the DASR submitted in accordance with the provisions in such Standard Switching subsection which informs the Company of the retail customer's selection of such RES as the retail customer's provider of electric power and energy supply service. In the event that such election pertains to a residential retail customer and occurs after a previous termination of service hereunder by such RES, as described in the following paragraph in this Implementation section, the RES must provide the Company with notification of such election at least sixty (60) days prior to the submission of a DASR which informs the Company of such election. Such notification may not be submitted until after the period of time that extends at least twelve (12) months following such termination.

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